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ABSTRACT

This symposium proceedings includes summaries of papers and discussions by participating industrial representatives and early childhood professionals on various aspects of child care relating to industry's role in initiating and maintaining child care programs for employees. The impact of child care programs on absenteeism, personnel turnover and job performance was discussed. Appendices (which make up one-third of the document) include basic child care equipment lists, family home care costs, brief descriptions of a number of industrial child care programs and excerpts from legislation concerned with child care. (CS)

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THE REALITIES AND FANTASIES OF INDUSTRY-RELATED CHILD CARE

Proceedings of a Symposium
Hosted by
The University of Colorado Medical Center
Office of Child Development
Child Care Project

Denver, Colorado

May 21, 1973

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THE LOGO

Two children are within a circle of protection. They are made up of four C's which stand for Comprehensive Coordinated Child Care. The "Q" denotes quality in care for children while the lower part of the "Q" represents a pathway for families and children into the Child Care system. Yellow was chosen for the cover as it is the first publication in an emerging and developing project.

Logo and Cover Designed by
Fred Lord

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INTRODUCTION

The University of Colorado Medical Center Child Care Project was funded by the Office of Child Development in June, 1972, to demonstrate the establishment of a comprehensive, coordinated child care system for the Medical Center's student and employee families. The employee and student population at the Medical Center numbers close to 6,000 and, as such, is a major Colorado "industry," with many of the same problems and processes which characterize any large industry. Though less than a year had passed between funding and the symposium, the project staff felt that a significant demonstration of the coordination necessary to establish a child care system for this large "industry" had occurred.

As a Research and Demonstration Project, the Child Care Project has a responsibility to disseminate. While industry is only one of several target groups to which the Project feels its findings and experiences are generalizable, it is, and always has been, a significant force in a changing society, and thus, an audience of the highest priority.

The Symposium, then, grew out of this Project's responsibility to share its findings and our wish, as Dr. Chapman stated in her opening address, to avoid "the feedback delay between formal study of the problem and that aspect of society which might benefit from these findings."

Industrial representatives, child care professionals and parents came together for the Symposium on May 21, 1973, to discuss all facets of child care and industry's past and potential role. It was the first meeting of its kind in the State of Colorado. The industries represented at the Symposium varied widely in the degree of consideration, planning and participation they had given to providing child care for their employees. Surveys had been completed in a few industries but others had given little or no thought to child care before receiving an invitation to participate. Many questions were raised, experiences shared, as were disappointments and frustration. Certain

questions and concerns were articulated repeatedly. They bear repeating, as they represent some of the realities which may account for industry not playing a larger role in child care in the past.

What is the payoff for industry for supporting child care?

What is the effect of child care on employee productivity, absenteeism, and tardiness?

Does industry really have an obligation to become involved?

How will childless employees view industry's role in child care?

What are the liability issues?

What are the alternative models of delivery systems available, other than on-site child care center?

In what ways can industry become involved in the solution, without going into the child care business for themselves?

Are there ways for industries to get together with existing community resources in solving child care problems?

How does an industry determine if child care is a problem for its employees?

What is the effect of child care on children?

What is the need for child care in the city, state, nation?

The participants made no formal resolutions. It was not that kind of day. Rather, it was a day to explore the complexity of a humanistic problem and to take the first step in a solution process - a definition of the problem, and a gathering and sharing of experiences.

There did appear to be a consensus on a number of issues, some of which were:

1. More industries need to be sensitized to the effect inadequate child care arrangements have on children, families, and parents as employees.

2. More research is needed on the effect of child care on employee absenteeism, tardiness, and turnover.

3. Child care systems, which might include some combination of a referral service, family day care homes, school age children's programs, child care centers and a hook-up with community resources might be for some industries a more viable alternative than an on-site child care center.

4. Surveys must be tailored to an individual industry, as does child care programming.

In making these proceedings available, it is our hope that those who could not attend the Symposium would have access to some of the discussions, research findings, and experiences of those who did attend. We are including fact sheets prepared for the participants and a bibliography for your reference. We invite inquires and comments.

Fern C. Portnoy

for the

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AGENDA

9:00 - 9:30 Registration and displays

9:30 - 10:00 "Child Care and Industry - The Big Picture"

Jane Chapman, Ph.D., University of Colorado Medical Center Office of Child Development Child Care Project; Developmental Psychologist, John F. Kennedy Child Development Center

10:10 - 11:00 "One Industry's Role in Developing a Child Care Program for Its Employees"

Ned Thompson, M.Ed.
- Principal, Deep River School, Sanford, North Carolina
- Former Personnel Director, Skyland Textile Company, Morganton, North Carolina
- Former Industrial Representative for Child Care with Gerber Children's Centers, Fremont, Michigan

11:00 - 12:00 Panel Discussion

Discussants:

Ned Thompson
James P. Conley, Buildings Management Specialist, General Services Administration, Federal Center
Ronald Brown, Parent, Child Care Consumer
Fern C. Portnoy, M.Ed., Director of Child Care Programs and Child Care Center Director, University of Colorado Medical Center Office of Child Development Child Care Project
Charlotte Hebeler, M.S., Assistant Director for Family Home Care, University of Colorado Medical Center Office of Child Development Child Care Project
Mary Virginia Wegrzyn, Future Director, Greenwood Plaza Child Care Center

12:00 - 1:30 Luncheon

"Quality Care for Our Children"

Therese Lansburgh, M.S.W.
- Honorary President of Day Care and Child Development Council of America
- Past President of Day Care and Child Development Council of America
- Vice Chairman of the Developmental Child Care Forum of the 1970 White House Conference on Children

1:45 - 4:00 Discussion Groups

I. "Where Could I Start" - Surveys, Cost Factors, Models, Legalities

Discussion Leaders:

Ned Thompson
Fern Portnoy
Margaret Bremmer, Supervisor of Licensing Caseworkers, State Department of Social Services
George Dikeou, Attorney, University of Colorado Medical Center
Charlotte Hebeler

II. "Effects of Child Care on Children, Families, and Employees"

Discussion Leaders:

Paul Barnes, Ph.D., Director, Systems and Evaluation, University of Colorado Medical Center Office of Child Development Child Care Project
Teresa Lansburgh
Jane Chapman

4:00 - 4:30 Wrap Up - "Where Do We Go From Here"

Jane Chapman, Ph.D.

DISCUSSANTS AND RESOURCE PERSONS

Carol Barbeito, Ph.D., Mile High Child Care Association
Ruth Bernstone, Child Care Legislative Chairman, National Council of Jewish Women, Denver Section; Contributor to Windows on Day Care
Phil Beyer, Assistant Director for In-Center Care, University of Colorado Medical Center Office of Child Development Child Care Project
Penny Boggess, M.D., Pediatrician, John F. Kennedy Child Development Center, University of Colorado Medical Center
Cathy Cohen, M.S., Director, EPDA Training Program for Family Home Care, Colorado State Department of Education
John J. Conger, Ph.D., Professor of Psychology, University of Colorado Medical Center
Naomi Graham, Assistant Director for In-Center Care, University of Colorado Medical Center Office of Child Development Child Care Project
Winona Graham, M.A., Assistant Professor, Early Childhood Education, Metropolitan State College
Anna Jo Haynes, Field Supervisor, EPDA Training Program for Family Home Care, Colorado State Department of Education
Mike Malone, Mile High Child Care Association
Keith Shwayder, President, Furniture Division, Samsonite Corporation; Board Member, Day Care and Child Development Council of America
Roger White, Colorado National Bank

INDUSTRY AND CHILD CARE--THE BIG PICTURE

Jane E. Chapman, Ph.D.

Welcome to all the representatives of metro-Denver's industrial society who have come to join with people from agencies and institutions concerned with care giving services for children and their families.

Our purpose here today is to make several things happen. Firstly, as a Federally funded project of the United States Office of Child Development, we, of the University of Colorado Medical Center Child Care Project, have a responsibility to disseminate what we are about and what our findings are. Research and demonstration granting agencies have a sense of money economics about them also, always asking what usefulness can be demonstrated from the investment of the taxpayer's dollar. This is an accountability statement which we believe is as it should be, and therefore, we see this Symposium today as one part of early sharing of findings, ideas and concerns. At least, we plotted it to be one small way of countering the feedback delay between the formal study of a problem and that aspect of society which might benefit from findings earlier in the game. University of Colorado economist, Kenneth Boulding has recently written that one reason that education is in trouble is that it is part of the grant economy in which information feedback is either slow or non-existent. Behavior Today (April 16, 1973) recently quoted from his essay, "Education and the Economic Process":

> "If the Ford Motor Company produces an Edsel, it very soon finds out.
> If the Ford Foundation produced an Edsel, nobody would ever find out.
> If the Department of Defense produced an Edsel, nobody would find out until we were all dead."

Hopefully, meetings such as this--occuring while a demonstration project is barely off the ground, will strengthen badly needed feedback loops as well as assist the consumer public (who pays the tax dollar tab) to appreciate that the study of complex, humanistic problems cannot immediately come up with all-solving, recipe solutions.

The issue of care for our children is highly complex and intricately tied into America's social and economic system. Because of this complex

intertwining, those of us who consider ourselves "experts" in the child care or child development field, do not have all of the answers. And, most assuredly, we will not solve them in isolation from the social forces which impinge and are so rapidly influencing family purpose and stability. Thus, the second purpose of this Symposium: to bring together a coalition of thinking, sharing, and struggling with solutions with representatives from what has always been America's most forceful influence on family life--the industrial complex.

Candidly speaking, we would hope today to be able to sensitize industry to far more social responsibility in the care of America's children than has been taken in the past. This is not spoken with a "moralistic should" tone about it, but rather from a view that comes from looking around at a variety of community resources that often lay dormant when a crisis is on because the community's sense of orientation was not "turned on" by the professionals. It is rather like the trend in child psychotherapy when for so many years, one-to-one therapy with parents excluded was in vogue. Suddenly, there emerged a common sense approach whereby parents were viewed realistically for the full psychosocial force that they were, and this parental force has come to be channeled into working with professionals in achieving more rapid and effective therapeutic gains for children. Naturally, one of the side effects of bringing parents into a psychotherapeutic process is to take the risk of being perceived by them as blaming parents for causing the problem. As an analogy, I feel that in approaching large social forces--such as industry--to share in the solution of child-family problems, a risk of industry perceiving themselves as "blamed" in some way is also run. However, it is not our intent to blame any social force--whether it be parents or the economic settings to which families are so intricately linked. Rather, it is my hope that we can all appreciate the profound interrelatedness and interaction effects which make us all a part of the problem. In my view, it is only when we can truly appreciate our part as interacting social-psychological subsystems in a complex culture, that we can productively become part of the solution.

Within the above framework then, what kinds of child care issues are we addressing today? Primarily, we wish to orient or further

sensitize this group to the fact that a growing percentage of the work force in this country is made up of the human beings who used to be relied upon to raise and socialize the child. The social system of "mothering" *in situo* still exists in America, but increasingly is becoming smaller. For example, in the 1940's, only approximately 10% of women were in the work force; some of the latest figures are cited at around 40% of women working outside the home. There is no evidence looming at present which would seem to deter the 10% per year growth of this social shift.

Some of the reasons for this shift are pragmatic and some are more existential in nature. For example, House Representative Pat Schroeder was quoted last week as indicating that 30% of the women work force did so because economically they "had to". Whether it is to meet survival needs from being left as a single parent--with or without child support payments, or whether it is a felt necessity to have two incomes in order to achieve a marginal American dream, we are confronted with a growing percentage of women who feel they have no choice. Secondly, we cannot overlook the hedonic revolution, which Max Lerner speaks about, whereby both parents can assert that life can be pleasurable for themselves, children can be spaced and they no longer need be a curse or a burden. Coupled with an accompanying "liberation movement" of females in recent years, many families are experiencing a change in the child socializing force, not because they "have to" but because there appears to be a more "free-willed" decision between husband and wife that it is O.K. for there to be a "life of their own" outside that of a primary child-rearing focus.

It is not within our province today to moralize about whether women should work or pursue full time higher education or should stay home and maintain the family-oriented child rearing social system. However, that many people feel strongly about it on both sides of the fence is very real. Those of us who are concerned about child care systems and are identified with the field often get hit with a barrage of criticism as if we were responsible for the cultural revolution. For example, last year when we were doing survey research which preceded our Project development, I was invited to a cocktail party which I looked forward to as an opportunity to get away from talking shop. However, I found

myself literally backed into the corner by a woman who recognized me as being "that child care lady" and she began to lambast me about "causing all those women to leave their rightful roles at home by setting up those real nice child care places for kids". I was roundly told that a better expenditure of my time was to be out on the streets talking to mothers telling them to stay home. The point is--and I tried to make it that evening, unsuccessfully--that regardless of how we may feel about where parents "should be", the fact is upon us that thousands of families need and want child care services outside of what family members can or want to provide.

But the derived problem is that there has been no correlative development of any organized, out-of-family social system of care giving that meets quality criteria as expressed by the professionals and the parents. At present, our child care services in this country are uncoordinated and are of variable quality. There is a hodge-podge of private and meagerly supported public settings available in both family home care settings and day care centers. While sincere state and local people are struggling to meet needs for children, there is national resistance at the Federal level to support and subsidize child care settings, and local governments have difficulty in developing qualitative standards which are enforceable. Few communities even have centralized listings of service giving settings beyond the yellow pages of the phone book. In addition, thousands of children, once they reach school age, are provided "child care" during regular school hours, carrying a key around their neck to let themselves in when they arrive home.

In our particular Child Care Project, we are attempting to set up a model program--using the 9 acres of the Medical Center campus and its 6,000 inhabitants--which could conceivably demonstrate the possibility of applying some order to the chaos of an evolving, topsy-turvey social system. We wanted first and foremost to develop a central spot wherein parents could come for information about what was available and to be able to discuss what they wanted in contrast to what they felt they had to take. Secondly, we have been developing our own model settings of child care giving so that we could succinctly monitor just how easy

or how hard it was to set up milieux for kids that met our criteria of quality. Now we are trying to ferret out the variables in child care settings which make for stability of the child within the setting, and hopefully to determine if stability of a child in a good setting will have any influence on overall family stability. Some of the things we have learned thus far, we will be sharing with you today.

Realizing that each of you here today may be at different developmental levels with respect to readiness for involvement in the child care system in America, we are also going to be discussing a variety of ways that we see industry becoming involved. We are also going to be listening to the ways in which you are already involved or ways you feel you might contribute that have never crossed our minds. To set off some of the thinking for today, I cite a variety of ideas which will be detailed later as we hear from Mr. Thompson, our panel, and Ms. Lansburgh. For example:

1. Lending support in legislation affecting child care services of any kind--it is well known that industry has powerful lobbying groups which are respected and listened to. It is conceivable that at local, state and national levels such a force concerned with family stability issues could markedly influence the struggle which so many of us perceive as carrying alone.

2. Expanding the functions of your existing personnel office to include a focused concern on the child care placement needs of mothers and fathers.

The terminology we utilize in our Project is "Counseling and Coordination" services--a group which is willing to talk with parent employees about the who, what, where and when of child care needs and to struggle through the placement process with them. A further richness that such a service within your personnel office could provide is a research bank for both yourselves and those of us "out here" that are hungry for generalized data as to what the real needs and real solutions are on a cross country basis. For example, simple data banks as to the needs of parents, how they use resources, and what the effects are on work stability as well as family stability, could be set up. This information could provide ongoing feedback to the company as well as to those people attempting to study the problem nationally. For starters, even a centralized listing of resources can provide parental convenience and a visible expression of concern by management.

3. Setting up a study group to examine existing personnel policies to determine if they are individualistic in nature or if they are family-focused.

For example, many personnel policies allow sick time for the individual, but do not include legitimate reasons for when family crisis occurs. Some parents have told me that even though they did not feel an employer would check on whether they themselves were ill or their child, they still felt dishonest saying they were sick in order to get the day off to be with their child. Further, we consider it a crisis--as do parents--when they need time off of work to counsel about child care placement and to investigate the setting they may be going to use. Yet, where in personnel policies is there a clause making this bona fide time off with pay?

4. Evaluating whether or not it is feasible to include child care services in full or in part to employees as a part of personnel benefits.

Participation of labor and management in developing health services and insurance packages for employees has been impressive in much of large industry. Yet, examination of the benefits show that these have been primarily designed to prevent a major economic wipe-out of a family who might experience major physical health crises. While more and more benefit packages are providing mental health benefits, many of these too are designed to cover expensive hospitalization and allow minimal coverage for the use of out-patient services which might prevent family explosions or individual breakdowns within family/work systems. All too well known are group policies which will not cover a child of a family who is already known to be disturbed or neurologically impaired before employment of a parent. From our experience, to be truly mental health oriented with respect to families, the presence of resources that can be readily used by parents which prevent family instability is critical. We believe that some kind of support system in a personnel fringe benefit package for child care can be useful--subsidy of child care payments, minimal prepaid insurance against sick days of a child, salary insurance for time off for last stages of pregnancy, delivery or post partum restabilization time (similar to accident and disability insurance), industry-supported child care center on the premises, and so on.

These are a few of the areas we would like to explore together today. It is not my intent to tie it up in a neat bow in this first half hour, and I am hopeful that I have carried out my duty as kick-off speaker which, as I understand, is to set the tone and present some issues. Again, welcome to what we hope will be a fruitful exchange.

ONE INDUSTRY'S ROLE IN DEVELOPING A CHILD CARE PROGRAM FOR ITS EMPLOYEES

Ned Thompson

I have been asked here today, not for a "pep" talk on industry's "obligation" to provide child care, but to play the role of one who has been there. In this way, you may have the opportunity to take a look at industrial child care with the aid of a person who has had some practical experience. Let me share my experience with you.

Child Care at Skyland Textile Company

Skyland Textile Company is located in Morganton, North Carolina, a small town of approximately 14,000 people with over 30,000 in the greater Morganton area. Industry in the area draws from over the entire county as well as nearby counties, because competition for employees is quite keen. Skyland has two plants in Morganton, three hundred yards apart. They are cut and sew operations producing children's finished garments under the brand name of Buster Brown.

At the time the idea for the children's center was raised, the company had approximately 850 employees, approximately 95% of whom were women. Most of the employees came to work in their own automobiles or in a car pool with others. Only a few rode buses. The medium wage was somewhere around $1.85 per hour. The rate of turnover was rather high and it was, at that time, costing the company between $800 and $1,000 to train a person to sew. Because of the tight labor market and the fact that there were several sewing operations in the area competing for employees, the management felt something unique and exclusive would be necessary to help remedy the recruitment and turnover problems. As all of you very well know, searching for a more stable employee is a never ending task and it seems that additions to the benefit package will go on and on.

The man who was the president of the company was, and had always been, concerned with the plight of his employees. It was this man who suggested we look into the possibility of a child care center. Being

personnel director and having a background in education, I was the likely candidate to begin research on the project.

The first important step we took was to conduct a survey to find out just how many children we did have, who was keeping them, and at what cost to the parent. We also asked if the parent would be interested in utilizing a center if the company built it and charged a reasonable rate. The survey forms were returned and it appeared that if a center were built, we could expect approximately 132 children from age 2, or "potty trained", up to school age.

At this point, I would like to say that this company did something not many companies have done and maybe will not do. It gambled on this project knowing that there were very few statistics on the benefits of child care to industry and knowing there was hardly any information upon which to base its decision except for the survey and past exit termination forms. The company officials agreed to hand us $100,000 for the project and gave us enough land behind one of the plants for construction. We started the next day. I was given the job of directing the building and programming of the center. This was in December of 1968.

As all of you know, there is no <u>one</u> cure-all for turnover, absenteeism, tardiness, recruiting, etc., so there were skeptics and doubts from the beginning. With feelings that there might be second thoughts by the company, I began to search for ways this center could help our company other than those we had already thought of. My first idea was and probably still is the most important thing we did. We decided to build, to the best of our ability, a child development center, rather than just a place for mothers to bring their children for a "babysitting" service. Our parents already had this kind of thing because Grandma or Aunt Susie or someone was keeping the child. We learned this from the survey. We decided to give them something they did not already have. Our thoughts from this point on were on a child-centered program at a cost which would not be prohibitive to our employees.

<u>How to Establish an Industry In-House Child Care Center</u>

Based on my experience at Skyland, the following are what I hope will be helpful hints on how you might proceed to establish a child

care center.

After the survey and feasibility study, someone should be assigned to the project who knows something about child care or is willing to spend enough time to find out. Give this person the time and resources and let him/her do it right. Many of you will say, "We don't have that person or we cannot release anyone." Get a consultant or a reputable child care company. There are a number who will do a good job.

The next logical step is to contact your state and local agencies responsible for child care licensing and ask for regulations and a consultant for the purpose of initial planning. I would say this service is offered in most every state in the Union.

When your plans are in the process of being finalized as to regulations, size, program and architectural design, it is time to begin thinking of materials needed, personnel and training for personnel. Material, personnel and the type of training offered the staff is very important because these determine what kind of program you are going to have and how successful it is going to be.

Let me tell you what we did at Skyland. This is where some of you professionals in child care might part company with me, but I believe this is one of the most important factors to those in industry contemplating the "jump".

Skyland Textile Company built a "number one" physical plant for a capacity of 118 children at a cost of $98,000. Equipment and material were purchased at a cost of $17,000. Yes, we did exceed our budget. These pre-school materials were as good as you could buy anywhere. Now, here is the determining factor, in my opinion, of whether or not industry can afford child care centers. We carefully selected "teachers" for our center from applicants within our plants who had no professional degree or experience in group child care. These were women who had been sewing machine operators and inspectors. The director (who still holds the position) was a supervisior of sewing operators and had been with the company around fifteen years. These women were trained and are being continually trained in workshops and at the local community college in early childhood education. Ladies and gentlemen, the reason this is of utmost importance is that approximately 75 to 80 percent of

total child care cost is related to salary. These non or para-professionals are not paid at the rate of a professional teacher, but after careful selection and good training, these non-professionals do a job that is, in my opinion, difficult to distinguish from professional.

The training is a matter of finding it. Skyland Textile Company paid nothing for the training its center staff received. Workshops conducted by the State Department, consultants, the Learning Institute of North Carolina and the local community college were the sources for the majority of it. I believe it is important to allow sufficient time from the time you select your personnel to the planned opening so that adequate training may be obtained.

About the same time you begin thinking about selection of staff, you should begin designing the type of program you plan to offer. At this point, you will probably be looking for some professional assistance. This is not difficult. You can get it free, you can pay a small amount, or you can pay about as much as you want. The amount you pay does not always determine the quality you will get. This is also true of the quality of care the children receive. I have seen children receiving poor quality care at a rate of $30.00 per week and I have seen excellent care for $13.50 per week. Good child care is made up of a measure of training and a whole lot of love. Don't get me wrong here--I believe a good program is most essential and great care must be placed on what is planned. It is very difficult to beat what a good mother has to offer, but we do what we have to, and so our duty is to offer the next best thing. I am positive that most "good" centers can do a much better job academically than mother has time for, but the "good" center must work very hard to come close in supplying the ingredient only parents can provide.

For planning your program, check with your state child care agency, a private consultant, or some firm who has a good reputation in child care. Shop around. In addition, or as a part of your planning, you must have a set of policies and regulations pertaining to the center's operation in conjunction with the company.

Also, good propaganda is necessary for the success of most any undertaking. I don't care how much your center costs, how pretty it is,

or how well trained your staff is, you are going to have to initially sell the center to your employees. Things will begin slowly and if your staff does a good job, one mother will tell another and soon your center will be full. Skyland opened its center with 18 children and, of course, this scared us to death. But, within eight months, there were around 85 children and, within a year and one-half, it was near capacity. Skyland now has 115 children, 40 of whom are children of non-employees. At this time, there is a waiting list of 35 children.

The selection of materials goes along with planning of the program, and professional advice is needed for that. Just a word about materials and the importance of selecting quality items: children have this knack of being able to test the quality of things--especially toys and child care materials. Buy good quality materials! You cannot get by any other way!

As you begin thinking about tying all the ends together you should have, by this time, the assistance of a full-time director with five or six months under the belt as the planner's assistant. The person you hire for the director's job will probably hold the key to the operational success of the center. In a plant situation you want someone who knows how to get along with your employees as well as operate a good center.

We have talked about most everything except cost, and I have left this out because of some discussion on this topic planned for later today. However, I will tell you this: Skyland began operation in July, 1969, charging $11.00 per child per week to its employees. Their first year start-up subsidy (remember, from 18 to 89 children) was $32,000. In the next year, July 1970--June 1971, enrollment increased from 85 to 110 children with registration being opened to the public in August of 1970, at a cost of $13.50. The subsidy for the company that year was almost $28,000. The year of July 1971--June 1972 was at near capacity enrollment and the fee was increased to $13.00 for employees and $15.00 for non-employees. The company subsidy dropped to around $20,000. This year it appears the subsidy will be around $18,000 to $19,000. This cost averages out from about $17.50 to $18.50 per child per week.

Before You Begin--Some Considerations

Before you begin, ask yourself some of these questions, and consider some of the following thoughts, which, sooner or later, become major concerns for those people in industry who are considering the possibility of helping provide child care, in some fashion, for the children of their employees.

1. Can we do a good job for the children?
2. Children and not profits are involved?
3. All profit and loss cannot be recorded.
4. There are operational headaches.
5. It takes developmental know how.
6. Do we really have the need?
   a. A tight labor market?
   b. A majority of women employees?
   c. Enough children of employees to justify the program?
   d. How many employees have we lost in the past three years because of inadequate child care?
   e. How many people will definitely be interested?
   f. Have the employees had an attendance problem due to inadequate child care arrangements?
   g. Has inadequate or unsatisfactory child care arrangements effected employee productivity?
   h. Has employee recruitment and turnover been effected by child care?
7. What will our employees think of the idea?
8. What will community reaction be?
9. Will a good education-oriented program be an asset to the community?
10. Is it a financially feasible project?

I think I can promise you five things if you make the decision to provide child care for your employees:

1. It will be industry's contribution to the community. (And, by the way, it is a tremendous opportunity to contribute to the community and, at the same time, benefit directly from the contribution.)
2. It will definitely be an asset to the educational process.
3. It will be an aid to social adjustment
4. You can be assured of having a happy child if you have a good program.

and

5. I think you will have a happier working mother.

MORNING PANEL

A Sharing of Knowledge, Experience, Questions, Concerns

Discussants:

Paul Barnes
Ronald Brown
James Conley
Charlotte Hebeler
Fern Portnoy
Ned Thompson
Mary Wegrzyn

Ms. Wegrzyn told of her initial experiences in establishing a proprietary child care center, to be located in Greenwood Plaza. (Greenwood Plaza is an industrial park for pollution-free industries, located in Southeast Denver.) Industry support for this project has included use of the internal newspapers of the John Madden Corporation and the Johns Manville Corporation. In speaking of some of her start-up difficulties, she said, "While it is easy, quite easy, to raise horses in Colorado, the zoning boards do not look favorably on children's centers in residential zones." Ms. Wegrzyn has not asked the Greenwood Plaza industries for financial support, but views the child care center as a related support system. Tardiness and turnover were problems mentioned as perhaps being at least partly vitiated by the existence of the Center. Other ways industry might be supportive were mentioned and include changes in personnel policy to permit "the very backbone of our working force the same privileges executives have always had, to take time off without penalty in order to handle family-related problems."

The importance of a need survey as a preliminary step in planning child care programs was discussed at length. Questions for the survey suggested by the panel include:

1. Do you need child care?
2. How old are your children?
3. How are they presently being cared for?
4. Would you bring your child to your work site?
5. Do you have any suggestions about what a day care program should include?
6. How much are you now paying for care for your child?
7. How much would you be willing to pay?

Mr. Thompson pointed out that, "A survey can provide the hard data necessary to justify child care programming to a board of directors or president of a company."

The results of the survey conducted at the Federal Center (located in west Denver), indicated a need for child care for 100 children. Funding is available for the center (scheduled to open September, 1973), as a result of an Executive Order, the Minority Enterprises Act. Mr. Conley indicated that while the center will give priority to government employees, it will be open to the public.

The downtown Denver area is presently being surveyed by Mr. Conley and the General Services Administration. Federal employees as well as employees in the commercial sector have been surveyed, and a child care center to serve between 150 and 200 children is planned.

Ms. Hebeler switched the focus of the discussion from child care centers to child care programs. "It is possible to be very innovative, to spend considerably less money than a center would cost, and still get high quality child care. Designing a support system for day care mothers who already have a warm, comfortable environment built for a child in their own homes, is one way." The support system might include:

1. A toy and material lending library
2. Access to a coordinator for the delivery of special services
3. Availability of a consultant
4. Hook-in with an existing child care center to share resources and provide varying experiences for children.

Two industrial programs outside the Denver area were described. Levi Strauss (home offices, San Francisco) has explored three different alternatives for providing child care for their employees. A child care center was opened at their Star City, Arkansas plant and operated for one year. It was then donated to a non-profit organization. Levi Strauss' employees still utilize the center. Ms. Portnoy spoke with Mr. Jim Marshall in San Francisco, who related that the Star City plant was not "tooled up" enough to operate its own child care center, and lost money because it operated at less than full capacity. In El Paso, Texas, Levi Strauss contracted with an existing community resource to provide the center with funds to accommodate Levi Strauss employees' children. In Tennessee, Levi Strauss has joined with other

industries in a consortium to provide seed funding which would establish adequate community-based child care.

Illinois Bell offers referral and counseling services. Personnel counselors facilitate location of child care in the community for employees. Additionally, women from the community are sought out and assisted in establishing family day care homes.

Audience discussion focussed on providing alternative care for parent-employees, so they might select what best fits their individual family needs. It was suggested that a comprehensive, coordinated child care system might include a center and satellite family day care homes, as well as a school-age children's program, as exists at the University of Colorado Medical Center Child Care Project. In designing such a system, Ms. Hebeler recommended industry "initiate all components of a comprehensive system simultaneously".

The importance of incorporating a referral and counseling service in any child care system was discussed. Dr. Barnes shared some of the preliminary findings from the Counseling-Coordination Office at the UCMC Child Care Project, which documents the diversity of families' needs, and the role a counseling service might play in making the best match between child care service and family.

Ms. Portnoy shared data from a study conducted from the University of Minnesota, on the Northside Child Development Center in Minneapolis. The center is funded 75% from Social Security Title IV funds, and 25% from a consortium of businesses in the Minneapolis area. The study compared absenteeism for employees before and after a child was placed at the child care center. Absenteeism was reduced 21.4% (significant at the .01 level). Comparing this group with the control group, who held similar jobs and had similar aged children, the average monthly turnover rate for those not using the center was 6.22%. The comparable figure for those using the center was 2.3% (significant at the .01 level). (See appendix for further delineation of this study and others relating to the impact of child care on business and industry.)

QUALITY CARE FOR OUR CHILDREN

Therese Lansburgh

What business could remain viable if one-third of its products failed to meet standards? Obviously, no business could and still function. Yet, that is exactly what is happening in this country. One-fourth to one-third of the school products of this country are rejects or, at best, seconds--not able to use the God-given potentials which are their natural rights. One-third of our young men fail to pass the minimal standards of the draft. The President's Commission on Mental Retardation in 1967 estimated that only 25% of the mentally retarded are genetically retarded and 75% are retarded as a result of social and cultural factors: not enough food, not enough medical care, not enough developmental experiences. Seventy-five percent of the mentally retarded did not have to be retarded. And if you take that up one notch and hypothesize that one-third to one-half of those who are functioning marginally in our society really did not need to function on such a low level, we are carrying an unnecessary burden in this country. That is what has happened because our production line of human beings has fallen down. If they were paper clips, they could be melted down and recast. But they are not--they are human beings and they are having to live out lives which are intolerable to them and a burden to the rest of us. Would it not be more humanitarian to take the necessary steps to make life more worthwhile for them and to reduce the number of people who must be supported or restrained by our welfare, police and judiciary.

With any other form of deteriorating production, we would call in an expert and get suggestions about the production technique, the administration, and the program plan. But when it comes to our children, advice has been piecemeal, unsought, or ignored. The cumulative cost of continuing to operate with this outmoded system is much greater than the cost of making needed changes.

Myths and Facts

Americans like to think of themselves as a child-loving society but, in reality, we neglect children. The myth that we are a child-oriented

nation is really very damaging for this country. Proof of the myth is the lack of day care services available in this country. The gap between the need for day care and existing resources is significant and is detrimentally affecting our children. And the gap is directly related to the number of working mothers who are contributing to the prosperity and progress of our business and industry. I do not know if you are aware of the figures:

--One mother of every three is working today.
--One mother out of every three with children under six is working today.
--There are 14,000,000 children under fourteen whose mothers are working.
--Six million children under six have working mothers.
--There are less than 900,000 spaces in licensed day care centers of all varieties in the entire country.

This means that 2 million children are being left totally alone or in makeshift and damaging day care arrangements while their mothers go to work: the neighbor down the street who will look in, the child who stays home to take care of younger brothers and sisters and misses out on his education, the inadequate day care center that is not licensed and cannot be because it does not come up to standards. We are at fault, individually and collectively, for allowing this kind of situation to exist.

Research Findings

Other factors which have contributed to a growing need for child care services are:

1. Urbanization--large cities with not enough room to play.
2. Mobility--one family in every four moves every year.
3. Divorce--it is predicted that 425 out of every 1,000 marriages this year will end in divorce.
4. Decrease in the extended family.

I think we need to be aware of the results of research. A knowledge explosion in the field of child psychology has taken place in the past 10 years. It points up the importance of the early years. We used to think a child's education started when he entered school. We now know that he starts learning from the time he is born and maybe even before. The early years are important in influencing later behavior--learning, problem solving, motivation, social competence, physical and emotional

health. I tried boiling these research findings down into eight points which might be helpful as we think about what it is children need:

I. The period of infancy and early childhood, like a foundation of a building, lays the foundation for growth and development of a human being from a helpless infant to a mature adult. Later development has its roots and experiences in the earliest years of life. For example, the belief that one's actions can be effective is learned early.

II. The family is the most crucial factor in a child's life. That may sound like a platitude we should know, but I think some people feel that a school, a day care program, or a family day care home can take the place of mother and father--but they cannot. No matter how good a program, the parents are still the most crucial factor, and parents must be involved with children. Children do lose some of themselves as they move from one setting to another. I think the consistency and cooperation between family and day care program is absolutely essential.

III. The developmental tasks of infancy and early childhood can be encouraged or retarded by early childhood experiences. For example, the foundation of communicative skills--listening, speaking, reading and writing--are all established by the time a child is three.

IV. All aspects of development--physical health, mental health, intelligence, personality, and character development--are all interrelated, and you cannot expect that one is going to grow without the other. There is a positive correlation between lack of developmental opportunity and intellectual deficits and emotional immaturity. Studies show that when basic needs are not met, a child is preoccupied with inner struggles and not available for the learning process.

V. There are critical periods for the growth of mental functions which need proper conditions to develop fully, just as teeth only develop at a certain time.

VI. There are optimal periods for developmental aspects of personality, intelligence, and coping patterns. Although developmental acts can be later tempered somewhat, they will never be quite the same as they are at the optimal period.

VII. Heredity and environment are being viewed as interacting determinants at every stage of development. The traditional view attributed intellectual development solely to heredity, but we now know that environment plays a key role. Some scientists attribute 80% of intelligence to heredity and only 20% to environment. Others feel that environment has a much larger role to play. But, regardless, "only 20% is a terribly

significant figure and can make a difference between functioning at the marginal level and functioning in the normal range.

VIII. Development is a cumulative process and the growth of a sense of trust and a constant self-concept all build together. You have to build a firm foundation and then you must continue to build on it in a similar fashion.

Implications of Research Findings

The implications of these research findings are that we must encourage the child's growth and development--physically, culturally, emotionally, and intellectually. They all work together. And, ideally, an actual approach would be to provide what the child needs in each one of these areas. Unfortunately, however, we are cutting rather than increasing the very minimal programs that now exist. Day care--quality day care--can offer a vital method of delivering developmental opportunities to children. It can and should involve physical, social, emotional, intellectual, nutritional, psychological elements to encourage optimal human development.

What Day Care Is

I have been talking a lot about day care but I would like to give you a definition of it before I go any further. Day care refers to the wide variety of organized, development services outside the home for children living in their own home--services which parents select on a continuing basis for part of the 24-hour day. By this definition, nursery school, kindergarten, family day care, day care centers, child development centers, school-age day care--all are forms of the same program. The number of hours, the source of funds, the names of the services--nothing should be any different. The quality of the service should be the same in all of these. All child care outside the home should provide a good educational program, good nutrition, a health program and health services as needed, and an opportunity for social and emotional growth and should include affectional support, opportunities to meet new challenges, and a balance between group experiences and time for solitude. Opportunity for parent participation is also needed by the child and his family.

What Day Care Is Not

Let me say what day care is not, because I think there are a lot of misconceptions. I think one of the cardinal sins is that somehow day care got mixed up with welfare and this is one of my pet grievances, because it is the working mother who needs the day care and she is not on welfare. I think one of the causes for the confusion is that the funding has come from the Department of Social Services or the Department of Human Resources. I think we have to, in time, move away from welfare funding for day care services--this is something the Child Development Bill would have done. Day care should be an area of services that is available to all children from all socio-economic backgrounds, and I think it is detrimental to middle class mothers that this concept exists. I have a friend who was a speech writer for Agnew. She was commuting between Washington and Baltimore every day while her third child was quite young and felt she could see a difference. She was leaving him in the care of a maid. I said, "Why don't you send him to a day care center?" Believe it or not, what Agnew did--what his staff felt was his best job while he was governor of Maryland--was his program for day care. She said to me, "I can't send him to a day care center--that's for poor children!" So I think we are doing damage to some of the children of middle class families as well as to poor children by not making day care more widely available and by not changing that basic attitude.

Second, day care is not a plot to take the children away from the family. A lot of people feel this, and I think this is a valid point. But if parents are voluntarily choosing a program that involves a selection of what they feel is best for their child and their family, it is not and cannot be a plot by anybody else.

Neither is it child-rearing but, rather, it is a way to promote social and intellectual growth of the child--if it is quality program. Has anyone ever suggested that kindergarten or nursery schools are child-rearing? I don't think so.

And, finally, day care is not and should not be babysitting.

Quality Day Care

Quality day care can be constructive if, 1) adequate funding is available to pay for warm and trained teachers, 2) child/staff ratio allows for individual attention, and 3) the child has the security of stability and continuity--not being shifted around from person to person and program to program. If research findings are realized in program development, if sufficient diagnostic and support services are available and used, and if parents are involved in the program and it supplements rather than supplants parents, it is quality child care.

Quality, however, costs money and we cannot beat around the bush on this. How many people can afford $30/week or so it costs for child care for a pre-school child? And it is even more expensive for an infant and toddler. We must do what we can to get programs adequately funded. We did have a program that was about to be made law of the land. The Developmental Child Care Forum of the White House Conference on Children in 1970 voted child development as the priority for the 70's. Congress has never moved as rapidly as it did in this case to translate the mandate of a White House conference into legislation. And then the President vetoed it. So that will'o'the'wisp went! We have hopes this year that possibly a new bill will be introduced and there will be some money coming.

Benefits for Business and Industry

What is in it for business and industry? First, I would say there is making a contribution to the greatest business of all and the business of all of us--the society in which we live. That is enlightened self-interest. Secondly, there is the question of turnover. I heard some astounding statistics this morning which were much higher than my figures for turnover. But, it is possible we can cut turnover in half. In fact, one gentleman from a firm in Rochester, Massachusetts found the turnover had dropped by 90% when there were day care services available. The other direct effects that are proved include a decrease in tardiness and absenteeism, and an increase in concentration on the job. One firm in Kansas found that they were getting complaints about the phones being clogged at certain times of the day. They did a survey and found

it was between 3:00 and 4:00 in the afternoon because mother was calling to see if Johnny had gotten home all right, and "Did you find the snack I left in the refrigerator", and "Yes, you can go out and play if you're sure you don't have any homework". Then she would go back to work and concentrate half on what she was doing and half on what he was doing. I think you will find greater productivity as a result of consistent quality child care.

What Can You Do?

So, finally, what can you do? First, I would suggest you can support groups which are trying to do something about these problems on a local, state or national level. Things can move in this country by a system of checks and balances. And when there is enough demand, there will be ice cream or day care. We were told that the Child Development Bill was vetoed because the President had received 300 letters against for every letter for the Child Development Bill. At one point, I decided that people who are in the child care field were just not cut out to be political activists. They would not have chosen that field if they were. I think they have now learned that politics is the name of the game if we want to get something done for children. Those of us who work in child care cannot do the job alone. We need the help of industry which would benefit greatly in having national support for a program of this type. Second, you can start a day care center next to your plant. I will not go into this because so much discussion time has already been spent on it. One of the objections professionals had to the idea of a center attached is that a woman then sometimes becomes an indentured servant or, if the woman is unhappy at the place she works, then she has to move the child to another center unless there is a policy that the child can remain in the center. I do not want to leave the impression that this is not a good idea. It is a good idea, but you can go on to some of what I think are higher levels in this area. Third, you can employ women on a part-time basis, or have two women do one job, so that women can work when the children are away and be at home when the children are at home. Fourth, you can establish a policy subsidizing employees using day care and this is

something, for example, that the Ford Foundation did after a thorough investigation of the situation. They give each employee with a child $15.00 per week and the parent selects the program and pays the balance. Fifth, you can establish a community-wide or area-wide resource unit which would move to establish day care supported by a number of businesses in the community, placing the day care center and the family day care home near where mothers works so she does not have to travel an hour across town. I think that one of the programs similar to this is the one in Benton Harbor, Michigan where Whirlpool took the initiative and established such a program in an industrial park. They will have five centers throughout Grand Rapids and Benton Harbor. Finally, no matter what you do, support legislation which will foster child care.

I am going to close with a story about a minister who took desperately ill. He was in the hospital suffering great pain. One day the president of his board came to see him and told him that his congregation was very worried and would like to see him recover. As a matter of fact, they had taken a vote just the day before and they decided he just had to recover. The minister started to say, "Well, that makes me feel a little better," when the president added, "I want to add the vote was 17 to 15." Seventeen to fifteen is not the way to do it. We are not going to solve this problem unless we all get in there and put our shoulders to the wheel. We have let it go on many years too long, and we have been damaging this whole country by forgetting and burying it. But I think it is time now, past time, to really do something for our children, for families, and for the welfare of this whole country.

AN EXAMPLE OF LEGISLATIVE EFFORT

Mr. Chuck Howe, State Representative for Boulder, Colorado, attended the luncheon portion of the Symposium. Mr. Howe was the sponsor of Colorado House Bill 1258 and attended to explain the bill and seek support for it.

Bill 1258 called for $800,000 in state monies to be used to support model child care programs.

Of major interest to industries forming non-profit corporations would have been the proviso of their eligibility for funding on a 1/2 basis for establishing such model child care programs.

In June, 1973, HB 1258 passed the Colorado House, but was tabled indefinitely in the Senate's subcommittee on Health, Welfare and Institutions.

Following is the text of the Complete Copy of the Bill:

AS AMENDED IN COMMITTEE

First Regular Session

LDO No. 73 0140/1 HOUSE BILL NO. 1258

Forty-ninth General Assembly

STATE OF COLORADO

By Representatives Howe, Safran, Gallagher, Benavidez, Frank, Gaon, and Webb.

Health, Welfare, and Institutions
Appropriations

A BILL FOR AN ACT

CONCERNING A STATE-SUBSIDIZED PROGRAM OF CHILD CARE CENTERS, AND MAKING AN APPROPRIATION THEREFOR.

"SECTION 1. Chapter 119, Colorado Revised Statutes 1963, as amended, is amended BY THE ADDITION OF A NEW ARTICLE to read:

ARTICLE 15.

Early Childhood Development

119-15-1. Definitions. (1) As used in this article, unless the context otherwise requires:

(2) "Department" means the department of social services.

(3) "Direct subsidy" includes both cash and in-kind contributions.

(4) "Executive director" means the executive director of the department of social services.

(5) "Pilot program" or "pilot project" means any program established and funded pursuant to this article.

(6) "Statewide referral service" means a centralized service which dispenses information concerning child care resources in the various communities of this state.

110-15-2. Office created and purpose. (1) (a) There is hereby created an office of early childhood development in the department of social services, which office shall be responsible to the executive director of the department. Within the limits of available appropriations, the department shall institute a program to:

(b) Develop models for employers and grantees to creatively explore, demonstrate, and study the establishment of high quality child care programs;

(c) Give initial impetus and assistance in the creation of programs which may, at the end of the funding period, become self-supporting;

(d) Explore the role of this state in stimulating the growth of new child care resources in the form of grants for projects which shall serve as demonstration models;

(e) Conduct a complete survey of existing early childhood development programs through this state and utilize this information for a statewide referral service;

(f) Determine what additional types of programs or services are needed, for which children, and where such programs or services should be located;

(g) Assist the public and the general assembly to become knowledgeable of existing and needed early childhood programs in this state;

(h) Assist public agencies and private organizations toward the orderly development and expansion of child care facilities and program.

119-15-3. Duties of office. (1) (a) The office of early childhood development is charged with the responsibilities of:

(b) Establishing written guidelines for project funding;

(c) Publicizing by appropriate means the funds available under this article and requesting project proposals;

(d) Reviewing and summarizing project proposals and funding grants.

(e) Reviewing funded projects to insure that guidelines are met;

(f) Evaluating overall program effectiveness and reporting same to the governor and the general assembly on or before February 1 of each year;

(g) Collating and summarizing information gathered from all projects funded under this article and submitting to the governor and the general assembly on or before July 1, 1977, a comprehensive summation of overall program findings with recommendations for the future role of this state.

(h) Promulgating rules and regulations pursuant to article 16 of chapter 3, C.R.S. 1963, for the effective administration of this article.

119-15-4. Advisory Board. The state board of social services shall appoint an advisory board to advise the office of early childhood development

programs in the discharge of its functions.

119-15-5. Eligibility for funding or loan. (1) (a) In order to be eligible for funding or a loan under this article, all child care facilities shall:

(b) Be licensed by the department;

(c) Provide child care for a specific, defined population or assist a specific, defined population to locate and utilize child care facilities in their community more effectively;

(d) If they choose to charge a fee for their services, base the fee on a sliding scale based on total family income;

(e) Be a non-profit corporation;

(f) Demonstrate a significant degree of parental involvement in initial project planning and in on-going project operation.

(2) (a) The office of early childhood development shall seek to fund projects which:

(b) Develop a wide variety of child care programs throughout this state, which may include, but are not limited to, infant nurseries, toddler nurseries, children's centers, family home care programs, school-age children's programs, referral services and counseling, or alternative child care for ill children;

(c) Develop programs for expansion of child care resources for selected populations;

(d) Serve groups of a wide variety of ethnic, cultural, and socio-economic populations;

(e) Demonstrate the most economical use of funds by providing the greatest amount of high quality child care for the least expense.

SECTION 2. Appropriation. (1) (a) There is hereby appropriated, out of any moneys in the state treasury not otherwise appropriated, to the department of social services for allocation to the office of early childhood development, for the fiscal year commencing July 1, 1973, the sum of eight hundred thousand dollars ($800,000), or so much thereof as may be necessary, which shall be available to fund:

(b) A comprehensive survey of existing research done in the area of child care and existing child care resources and needs in this state to be completed by July 1, 1975;

(c) The establishment of a statewide referral service;

(d) Pilot projects on a matching fund basis, which shall not exceed one dollar by the state of Colorado for every two dollars contributed by the grantee, either in the form of direct subsidy or from fees charged to consumer, or both.

(2) Loans may be granted to applicants through a loan fund established with a portion of the appropriation under this section.

SECTION 3. Effective date. This act shall take effect July 1, 1973.

SECTION 4. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

DISCUSSION GROUP I

"Where Could I Start"

Cost Factors

Discussion opened around cost factors involved in the operation of Family Home Care Services vs. a child care center. It was pointed out that Family Home Care is much less expensive than In-Center Care, primarily because the home, basic equipment, and furnishings are already in existence, and start-up, operational, and overhead costs are all low.

Child Care Center Personnel--Training and Qualifications

The possibility of a cooperative venture between Denver industries and the Community Colleges to train industry people in the field of Child Care was explored. It was noted that Colorado regulations stipulate 24 semester hours plus experience working with children are required for the position of Child Care Center Director. At present, there are no regulations for the position of Child Care Worker.

Also, the Colorado Association for the Education of Young Children (CAEYC) offers employment services for people in the field of Child Care.

DISCUSSION GROUP II

"Effects of Child Care on
Children, Families and Employees."

Discussion centered around past and present Child Care legislation and the need for future Child Care legislation to promote quality, developmental Child Care. Ms. Lansburgh amplified her luncheon comments around quality aspects of developmental Child Care elaborating on the specifics for good care and how they might be attained. She also indicated that local people should initiate legislative endeavors concurrent with (rather than waiting) for) federal legislation. The group concurred that there presently exists:

1. A body of knowledge about effects of group care on children and families,
2. A need to implement that knowledge in diverse Child Care settings,
3. A need for further study on the impact of child care on employees.

What remains is legislative "underpinning." All agreed that one aspect of this legislative underpinning might be financially facilitated by industry's involvement in Child Care.

SELECTED RECOMMENDED RESOURCES

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2. Butler, Annie L. Current Research in Early Childhood Education, A Compilations and Analysis for Program Planners. Washington, D.C.: American Association of Elementary-Kindergarten-Nursery Educators, 1970.

3. Clearinghouse on Early Childhood Education, National Laboratory on Early Childhood Education. Selected Bibliography Series: Day Care. Urban, Illinois: Clearinghouse on Early Childhood Education, National Laboratory on Early Childhood Education.

4. Colorado Social Legislation Committee. Position Statement on Day Care. Denver, Colorado: Colorado Council of Churches, 1972.

5. Curran, Joseph R. and Jordan, John W. The KLH Experience, An Evaluative Report of Day Care in Acton at the KLH Child Development Center, Cambridge, Massachusetts. Cambridge, Massachusetts: KLH Child Development Center, Inc., 1970.

6. Day Care and Child Development Council of America, Inc. Publication Service. Washington, D.C.: Day Care and Child Development Council of America.

7. Executive Offices of the President. Report of the White House Conference on Youth (Estes Park, Colorado; April 18-22, 1971). Washington, D.C.: U.S. Government Printing Office, 1971.

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BASIC EQUIPMENT FOR A CHILD CARE CENTER
FOR
50 CHILDREN AGES 2 1/2-6

OUTDOOR PLAY EQUIPMENT

1	Climbing Set	$ 84.00
1	Slide 16'	193.00
1	Merry-go-round	220.00
500	lbs. sand(delivered)	55.00
2	play balls @ 3.20	6.40
6	Tricycles @ 20.00	120.00
2	Wagons @ 20.00	40.00

INSTRUCTIONAL MATERIALS

2	Flannel Boards @ 8.50	17.00
6	Flannel Boards Stories @ 1.50	9.00
1	Tape recorder	49.00
3	Dozen tapes	85.00
3	Dozen story books	100.00
1	Set rhythm instrum.	27.00
2	Record Players @ 30.00	60.00
1	Doz. Records @ 2.50	17.50
	Misc. Instr. Mater.	50.00

CLEANING MATERIALS

Sponges, mops, mop buckets, cleaning fluids	50.00

MANIPULATIVE EQUIPMENT

25	Puzzles @ 2.30	57.50
6	Lotto games @ 1.75	10.50
4	Sets of stringing beads @ 2.25	19.00
2	Sets of plastic blocks @ 7.50	15.00
2	Sets of small wooden blocks @ 3.25	6.50
5	Puzzle racks @ 8.00	40.00
2	Shape Sorters @ 4.75	9.50
6	Peg Boards with pegs @ 3.50 and 5.25	26.50
2	Pounding Benches @ 4.00	8.00
2	Color Stacking Disks @ $.50	7.00
	Various math shapes, counting, sorting, sets	30.00

INDOOR PLAY EQUIPMENT

1	Wood Rocking Boat	$ 30.00
	Hardwood Blocks (176 pcs)	74.30
1	Water Table	65.00
	Ironing Board & Iron	14.00
	Work Bench	70.00
	Doll Bed	14.00
4	Dolls @ 8.00	32.00
	Balance Beam Set	25.00
	Play Stove	38.00
	Play Sink	38.00
	Play Cabinet	40.00
	Fold up Mat	16.00
3	Ride em Trucks @ 18.00	54.00
3	Play Wooden Cars @ 7.00	21.00
2	Stand up Mirrors @ 22.00	44.00
1	Hammer, saw, drill, screwdriver set	20.00
1	Set wild, farm, 200 animals @ 6.00	18.00
1	Set Family Puppets	7.50

FURNITURE

6	Storage Units @ 54.00	324.00
12	Tables @ 42.00	504.00
55	Stacking chairs @ 11.50	632.50
50	Sleeping Cots @ 8.95	447.50
6	Portable Coat Racks @ 20.00	120.00
	Trash containers	40.00
	Plastic disposable trash bags (per month)	20.00

KITCHEN MATERIALS

Napkins, place mats	25.00
Silverware (incl. serving utensils)	45.00
Plastic cups (60), plates in 2 sizes, serving platters, bowls bowls in 2 sizes	160.00

ART SUPPLIES

3	Dozen Assorted Colors, Tempera Paint @ .86	30.96
3	Dozen Crayons @ .46	16.50
3	Dozen Paint Brushes @ 10.20/dozen	30.60
2	Dozen Containers finger paint @ 1.00/dozen	24.00
2	Water Color Sets @ 11.28	22.56
30	Pkgs. construction paper 9 x 12 @ .39	11.70
20	Pkgs. construction paper 18 x 24 @ .78	15.60
4	Finger paint paper 16 x 24 @ 2.50/100 sheets	10.00
2	Dozen Elmer's Glue 4 oz. size @ .55	11.04
3	Dozen scissors @ 5.00	15.00
6	Office shears @ 2.10	12.60

OPTIONAL EQUIPMENT

Carpeting or carpet squares	80.00
Film or Slide Projector	250.00 (used)
Polaroid Camera & Film	30.00 + Film
Mini-bus	200.00/month lease

*SOURCE OF PRICES: Colburn School Supply Company, 1973-74 Catalogue
American School Supply Company, 1972-73 Catalogue

COSTS OF FAMILY HOME CARE

Because this type of care occurs in a home, much of the "equipment" used is, in reality, a part of the furnishings that are already in the home. Wear and tear do occur at a higher rate, and the cost of replacement must be considered.

A typical cost analysis of family home care*:

	RANGE	AVERAGE
Food Costs	$37.50 to 13.44	$20.00
Utilities	3.62 to .35	1.50
Consumabiles	4.24 to .93	2.00
Equipment	3.48 to .11	.77
Rental/Mortgage	9.46 to 3.84	
Extra telephone	1.42	
Wear, tear, breakage	7.09 to .96	13.83
Trips	5.77 to .52	
Insurance	1.15 to .27	
Bad Debts	1.92	
Other Expenses	15.00 to 1.34	
	$90.65 21.79	

Costs vary widely in family day care depending on whether costs for rent and utility are included, and on the type of activities which are planned for the children. Included in the "Other Expenses" category are advertising, house-cleaning and back-up child care help.

Much of the coast is dependent on the ingenuity of the FDCM involved. Those who make toys from common household articles (such as empty bleach bottles, sewing scraps, etc.) may save substantially. Also, if the FDCM has had children of her own, and has cribs, high chairs, toys, and other necessary equipment, costs will be less.

A list of minimal equipment needed for a FDCM to care for six children:

1 or 2 high chairs
1 crib
1 porta-crib or playpen
1 to 2 cots (if beds are not available for all children)
Large muscle toys (trucks, push toys)
Manipulative toys (puzzles, blocks)
Language & cognitive toys (books, stories, records)
Imaginative & pretend play (old clothes, household articles)

In two surveys, the average hourly wage for the FDCM after expenses was $.72 and $.84 per hour.

*Sale, June; Open the Door, See the People, Pacific Oaks College, Pasadena, 1972.

FACT SHEET - CHILD CARE

-- 43.8% of all working age women are employed.

-- In 1940, there were 1.5 million women working in the U.S.

-- In 1970, there were 10.6 million women working-a seven fold increase.

-- 60% of these women have children under age 14 and 12% are heads of households.

-- 42% of working women have children under age 6 and thus need full time child care.

-- The greatest majority of mothers work for financial reasons.

-- Total family incomes of working mothers are distributed as follows:
0-$6,000 = 43%
$6,001-10,000 = 38%
$10,000 + = 19%

In sheer numbers, this means:

-- 59 million children under age 14 have working mothers with 6 million of them age 6 or younger.

-- In Colorado, there are 161,054 children under age 14 in need of care, with 46,592 under age 6.

-- In the Denver Metro Area, there are 58,081 children under age 14 in need of care and 32,468 under age 6.

-- However, in the U.S., there are only 625,000-750,000 licensed spaces for child care.

-- In Colorado, we have 18,117 spaces.

-- There are 3,736 in the Denver Metro Area, (only 2.2% of children).

Who cares for the rest of these children?

9.4% are cared for in their own homes by non-relatives.

14.9% are cared for by fathers (many of whom work at night and try to sleep and care for children during the day)

9.1% are cared for by older siblings under the age of 17

8.5% are cared for by older siblings or relatives between the ages of 18-65

3.6% are cared for by relatives over age 65.

15.7% are cared for in someone else's home

13% go to work with their mother

15% have mothers who work only during school hours

8.1% are on their own

	Control Data Corp. consortium	Illinois Bell Tele. Co. Foster Day Care Homes	Amalgamated Clothing Workers of America, Inc.	Ohio Bell Tele. Co.	Whirlpool RCA company-assisted center
No. months for start-up from date of first planning to opening	8 mos. 8/70 - C. Data 9/71 - consortium	4 mos. 4/70	6 mos. 3/70	17 mos. 8/71	approx. 12 mos. 9/69
Capacity	120-150	unlimited, 4 children to a home	60	50	80
Enrollment as of 2/72	76	473 employees assisted 187 being served now	60	32	80
Age range	3 mos. to 12 years	all ages	3–6	2½ to kindergarten	2½ to 6
Hours/days open	6–6 Mon.–Fri.	adjustable	8–6 Mon.–Fri.	6–6 Mon.–Fri.	6:30 – 5:30 Mon.–Fri.
Open to	residents of pilot city area employees of participating firms	flexible	children of union members	children of employees of Ohio Bell & Western Electric	all children in the community
Number of staff	37 (12 program + 19 part-time, 6 service)	3 for recruiting and referral + day care mothers	17 (10 program + 4 part-time and 3 service)	9 (8 program, 1 service)	19 (14 program + 1 part time, 4 service)
Start-up costs	$12,000.	Approximately $1500.	$110,000.	$65,000.	$190,000.
Operating costs/year	$277,000.	Three salaries plus misc. promotional items	$186,000.	?	$126,000. (includes start-up for first year)
Estimated cost per child/year	$2,300.	N/A	$3,100.	$1,500.–$1,600.	$2,100.
Percentage of income from fees subsidies in-kind donations and services	 25% 75% —	 — 100% —	 — 100% (govt pays food) —	 30% 70% —	 75% 25% —
Fee	$2–20/wk. depending on income, no. of dependents, and age of child.	$15-25/wk. (discount for 2 children or more in family)	Free	$15/wk. (discount for 2 children or more in family)	$28.50/wk. + $1.25 for transportation. Partial scholarships available.
Size of facility in square feet	14,000	N/A	3,500	3,600	6,000
Parent/Community involvement	Board composed of parents and community representatives; Parents Advisory Committee; parent-teacher conferences; parent-staff socials; parent education; classroom participation.	Illinois Bell works with the employee-parent and family day care home mother to set up arrangement and encourage further contact.	Parent meetings, parent-teacher conferences, social events; other services provided parent by union.	Educational Testing Service will interview parents as part of year-end evaluation.	Parent conferences; observation and participation in center; home visits by the director and teacher; parent representatives on board of directors.

Amalgamated Clothing Workers of America Child Day Care and Health Center. Chicago, Illinois.

The ACWA is known for its services to its members. The day care center opened in Chicago two years ago is one of five operated by the union for children of its members.

It is significant to note that day care is only one of a whole range of interlocking services for parents—legal services, social services, health services, co-operative housing services, to name several.

One of the most attractive features of the program is that it is free. While other centers have difficulty in filling their centers, the Amalgamated center has a waiting list of 15.

But its director will tell you that the most important fact about the center is the quality of its program and staff. The Center director herself has 15 years of experience in Early Childhood Education. Other members of the staff have an imposing array of professional and academic credentials and background experience. The staff includes a pediatrician and psychiatric social worker who each give two days a week to the center. There are ongoing programs of in-service training utilizing the resources of the staff. Evidence of the quality of the educational program may be seen in the fact that the center is used for training purposes by four educational institutions: St. Mary's High School, Erikson Institute for Early Education, Michael Reese Hospital School of Nursing Education and Mt. Sinai Hospital School of Nursing Education.

The fact that day care is part of a whole range of services to parent-members means that parent involvement has an important place in the day care program, so that child care becomes part of an entire family's growth and development. Parents are able to use the total resources of the union to help them with their own problems as well as those of their children. In some cases, the union has thereby been able to make a contribution to the well-being of the entire family.

Amalgamated is proud of the facility it built to house the day care center. It is an open building consisting of exterior walls, the director's office, and a core housing the kitchen and toilets. Moveable partitions divide the school into four areas each of which is used by 15 children. There are 200 linear feet of storage space along the walls, covered by sliding panels which are decorated with super graphics. Wall-to-wall carpeting covers the floor. The building is esthetic and has a warm feeling. It lacks an institutional look. It is located adjacent to the Union building and is within a one to three-mile radius of the shops at which the parents work.

Whirlpool RCA—Twin Cities Area Child Care Centers, Inc., Benton Harbor, Michigan.

Whirlpool does not have a day care center. Some of the company's executives were members of an Area Resources Improvement Council subcommittee formed in 1968 to plan a community child care center. Helping to establish a child care center is only one example of several ways in which Whirlpool has tried to fulfill its responsibility as a member of the community by being conscious of needs and trying to meet them.

ARIC's Training and Employment committee had uncovered a great need in the Twin Cities area for day care. There was the means to train and subsequently employ people, but no facilities to care for dependent pre-school children. As a result Twin Cities Area Child Care Centers was formed as a non-profit agency.

Funds for the purchase of land, construction, equipment and instructional materials for the first Center were provided by private contributions. Much of the equipment was donated directly by business firms and individuals. The cost of operating the center is shared by parents, Federal and state grants, endowments and contributions. The U. S. Department of Agriculture assists in financing the food program.

The Board of Directors and its executive committee are responsible for policies and operation of

the center. The Board represents various segments of the community such as educational systems, social agencies, child guidance clinic, medical fraternity, foundations, business and industry, parents and interested citizens.

In addition to meeting the needs of children and parents, the center serves the community in many ways. It provides practical experience for students from Lake Michigan College and Andrews University. Several of the teacher aides used in the center are Work-Study and Youth Corps students. The center also provides employment for many individuals living in the community.

Agencies in the community are assisting the center in many ways—providing clothes for children, providing volunteers, providing special programs and parties for the children. The eventual effectiveness of the center will depend on the utilization of, and cooperation with, many community resources. Two other centers are planned in addition to the one already existing.

Businesses are also involved. Whirlpool has offered legal counsel, public relations activity, printing services, personnel counseling, management direction, display services (storage shelves, e.g.), and office supplies. It has not made direct cash contributions. These were solicited from a variety of private sources.

The center itself is a modern brick-and-block facility meeting requirements for a public school facility and for physically handicapped children as well as for a day care center. It is located on a main traffic artery in a racially mixed residential area about a mile from downtown and factories.

Ohio Bell Telephone Company Child Care Center, Columbus, Ohio.

For over a year, A T & T and a number of operating Bell companies have been studying possible child care programs for the children of employees. Since early 1970, Ohio Bell, Western Electric and A T & T have been working on plans for a pilot child care center in Columbus, Ohio for Ohio Bell and Western Electric employees.

The purpose of the program is to determine if quality child care at a reasonable price will have a positive effect on turnover and employee outlook on the job as well as contributing to the intellectual and social growth of the children of employees. At this point no one really knows how a company-assisted child care center will succeed. This project will attempt to find out if day care centers help Bell attract good employees, and if the cost of such centers will be offset by savings in turnover—i.e., in hiring and training expense.

Like other industries, the telephone company has encountered on a nationwide scale increased absenteeism, greater turnover and low morale among employees with pre-school children for whom there is less than satisfactory day care available. And when acceptable private facilities are convenient, the cost is often too great for the employee—most often the mother—working at an entry level job.

At the same time that A T & T was exploring the possibility of day care experimentation, a group at Batelle Memorial Institute in Columbus was conducting studies on community educational needs. By using Batelle's research in the field of child care, Ohio Bell could serve as a test site for a pilot day care center for employees' children.

The center is located in a renovated marine sales store midway between downtown Ohio Bell offices and a Western Electric plant. The center is operated for a profit by the Early Learning Division of Singer Company. All the teachers and aides were hired by Singer. Ohio Bell and Western people were involved only to the extent of organizing the center, informing employees about its availability and following up the research findings. At the end of the pilot project, Bell should have some answers on the economic feasibility of the center as well as the educational development of the children.

In April the Chesapeake and Potomac Company in Washington, D. C., opened a similar center for 120 children at the same cost to parents—$15 a week. Operated by Community Learning Centers, Inc., the center will continue at least through June 30, 1972, on an experimental basis, although it is only one-third filled.

By 1973 the Bell System should have a fairly accurate picture, they believe, based to a great extent on the Columbus project, of how the existence of child care affects its employees. If day care centers prove statistically to lower turnover and absenteeism and if morale appears to improve, then it is probable "Ma Bell" will take on an even larger flock. Child care centers, which may at first appear to be peripheral to operation of the company, may turn out to be simply good business, they say, with the added advantage of giving employees' children a boost into elementary school.

A word about the educational component in the program of the center: The Singer Company uses an "open educational environment" with a number of "learning areas" which each child can explore. This approach alters the usual classroom set-up and the traditional stylized roles of the teacher and pupil to provide for far more flexible, highly individualized and child-centered learning experiences. The child can follow his interests, and everything around him is designed to stimulate and motivate him to do so. There are no bells, since it is never time to stop learning as long as the child remains interested. There are no report cards, since detailed progress reports and parent-teacher conferences tell a much more thorough and important story.

The Learning Center's continuous and sequential programs allow each child to attain his own learning level and to learn along with other children of equal learning skills. There are also private places for a child to be alone. And comfortable surfaces to invite quiet pursuits. Good communication among children often involves noise, however, and noisy group activities are also encouraged. The setting is simple so that a new child isn't lost, yet varied enough so that experienced students won't become bored.

There are no typical classroom arrangements with rows of desks, because such arrangements keep a child "in his place." An open environment encourages him to explore. There are five learning areas: The Language Center has books, and some lessons in conventional phonetics as well as an audio-visual area. The Mind Center is where children learn mathematics through exercises in reasoning, imagination, association, evaluation and concentration. Strange as it may sound, the child learns numbers as the result of this kind of study, by learning how numbers can help him. The Environment Center is all about the world and its plants, animals and people. Because his studies are constantly related to his own life, the child does not learn to think of science as being alien. The Social Science Center is where a child learns to decide for himself what the differences are between "right" and "wrong," between "true" and "false." By learning to question, he learns to find the answers he will need as he grows up. The Expressive Arts Center is a place where the child can express his inventiveness through drawing, building and dramatizing. Children who attend the learning center are encouraged to develop their imaginations.

Bell's concern is that the educational program should—at the very least—permit the children to achieve on the level of standardized national norms. At the conclusion of the project, Educational Testing Service of Princeton, New Jersey, will conduct an evaluation to determine the program's effectiveness in this regard.

Illinois Bell Foster Day Care Homes. Chicago, Illinois.

Illinois Bell has taken a different approach to the problem of assisting employees with child care problems, and thereby improving the attendance and retention rate of trained productive personnel.

It has set up a referral service for employees, which attempts to help them find suitable day care arrangements in their respective communities. When no day care is available, Illinois Bell seeks to recruit local neighborhood residents as day care mothers. The three full-time Day Care representatives from Illinois Bell help the day care mother to obtain a license to operate a day care home (limit: 4 children), and arranges for Erikson Institute for Early Education to train her in her responsibilities.

The cost of the program to Illinois Bell is the salaries of the three Day Care representatives, the fee for training of mothers paid to Erikson Institute, and miscellaneous promotional items.

Illinois Bell has assisted 473 employees since the program began two years ago, and is currently serving 187.

Control Data Corporation consortium, Northside Child Development Center, Minneapolis, Minn.

Control Data, a major manufacturer of computers and related equipment, has been actively engaged for several years in finding ways of employing individuals previously identified as unemployable or disadvantaged. In order to do this, the company has located manufacturing plants in ghetto or inner-city areas.

In establishing these inner-city facilities, traditional personnel practices have been altered and supportive services added to insure that the corporation is going more than halfway in helping the disadvantaged adjust to the world of work.

After careful evaluation of turnover and absenteeism data at Control Data's Northside Facility, it became apparent that the lack of adequate child care was a significant contribution to employee turnover, accounting for nearly 40% of all female terminations. Since the Near North Side of Minneapolis, as a community, was in extremely short supply of adequate child care facilities (230 slots for 2,150 children under 6), it was decided that the solution would have to come from within the company.

In early 1970, the corporation launched a child development center in the North Side area of Minneapolis, Minnesota, to serve Control Data employees. After a year of operation, the need for child development and its importance relating to women gaining and retaining meaningful work was clear. As a result, Control Data began to look for a means to increase the impact of its present program on the total community. The needs of the Near North Side of Minneapolis might serve as a micro-model of child development needs in localities throughout the country.

A chronic shortage of applicants for jobs which welfare mothers, who desire to work and can easily be trained, exists in the central business district of Minneapolis. This source of entry-level jobs is within easy transportation of the Near North Side. The jobs available are excellent and can lead to career opportunities for individuals who decide to remain at work for several years. These jobs exist in utilities, banks, department stores, etc.

Firms located in the central business district of Minneapolis are close enough to the Near North Side so that transportation is not a problem. The other major barrier to employment, lack of adequate child development services remained. Given the investment in buildings and equipment of major firms in the central business district, coupled with the other advantages of being located in this area, firms chose to recruit from new sources of labor nearby, such as the disadvantaged,

rather than move to the suburbs and compete for labor there.

Three companies--Control Data COrporation, Dayton Hudson Company and the Minneapolis Federal Reserve Bank--have formed a consortium (September, 1971) to provide child care on Minneapolis' North Side. The business firms provide local matching funds which are matched by Title IV-A funds of the Social Security Act to support the operation of the Center. In taking this action, the firms are making a commitment to hire and train disadvantaged individuals who might not otherwise be able to seek employment.

The purpose of the child care program is to determine if the availability of adequate day care provides significant positive advantage to industry without adverse effects upon profitability; to enable industry to offer training and employment to families who might otherwise have to subsist at poverty level; to serve as a model of effective cooperation between industry, government and community resources; to demonstrate the impact of an extensive child development program on employed parents and children; to free parents for employment or educational opportunities and relieve them of worries associated with untrained and/or unreliable baby-sitters; to provide children with educational experiences and emotional, social and physical development under the guidance of trained personnel; to offer children individual care, attention, affection, safety and health services; to enrich children's lives, helping each to realize his potential; and to increase employment opportunities in disadvantaged areas by recruiting and training individuals for careers in early childhood education.

The center has a concept of total day care services. At capacity, the center can serve 20 infants, 80 pre-schoolers, and 20 children of school age, thus providing for the needs of all the children in a family in one location.

The educational curriculum was designed by Palo Alto Educational Systems and was purchased from them. The effectiveness of the center will be measured in two ways. First, the effectiveness of reliable total child care services upon the employment history of the mothers will be measured. Data will be obtained from each mother as well as her employer in order to determine the impact of child care upon employee turnover, absenteeism and morale. Another form of evaluation will focus upon measuring the effect of the child development curriculum upon each child's social, educational and physical development. Every curriculum area of each program will be based upon a series of measurable progression steps against which the progress of each child can be individually measured. This unique educational measurement system allows both staff and parents to be keenly aware of each child's strengths and weaknesses, thereby making it possible to tailor an individual program for the development of each child. The University of Minnesota and its Industrial Relations Center is putting together the research and evaluation design.

The center conceives of parent participation and education as a vital and necessary pary of the child care program. The board of directors consists of parent/employees whose children are in the center, as well as representatives from the sponsoring business firms. The parent program is coordinated by the center director. The director makes suggestions and encourages the parents in their pursuits; however, the extent to which the parents become involved and the direction they take rest with the group itself. Parents may also participate in the center's activities by being part-time employees or volunteers. This arrangement is appropriate for parents who are enrolled in part-day training programs or as students at local colleges and universities. The majority of parents are very interested in the well-being of their children and are encouraged to contribute and participate in the center's operation.

A very elaborate schedule of fees has been worked out for parents, based on the number of dependents in a family, the family income, and age of the child (infant care is the most costly and after-school care the least).

Pages 44-49 reprinted from Industry and Day Care II with permission of the Urban Research Corporation, Chicago, 1973.

"Day Care - A Good Investment at Carolina Factory"

From Voice For Children,
February, 1973

A newsletter published by
the Day Care and Child Development Council of America, Inc.

As part of its new building plans which in June, 1969, moved Vanderbilt Shirt Co. and its then 325 employees from a downtown Asheville location to a 10 acre site in Bingham Heights just outside the city, company management decided to include a day care center for its employees' preschool age children from ages 2 to 5.

The need for day care was championed by the company's Personnel Director whose records revealed that a significant proportion of labor turnover and absenteeism was attributed to the problems of preschool child care.

Company records revealed that training costs for new employees in its highly skilled operations had reached a cost level of approximately $1,000 per employee. Decision was then made to add to its construction plans sufficient space, separated from the manufacturing and office areas but contiguous with the building, for a 3,000 square foot area with adjacent fenced play yard.

The initial decision was based upon pure business economics. $75,000.00 for building and equipment was required and an undetermined amount would have to be written off in startup costs. The company felt, however, that the operation could break even after its first year through charges made to parent-employees of the children.

NO PARKING LOT

After careful study of existing day care centers, company management decided against operating the day care center as a low-cost child parking lot. It felt that its duty to the employee, the community and the child made it imperative that the center be operated for child guidance and development with a full educational program. In addition, provisions were made for a complete dietary department for mid-day hot food services and mid-morning and mid-afternoon snacks. The guidance of the North Carolina State Department of Social Services in all areas of design and implementation, and including educational courses for its staff, was gratefully received by the Vanderbilt Center.

The decision to operate as a child guidance and development center added significantly to operating costs and eliminated the possibility of operating on a financial break even basis. The company however justified its decision and the additional costs on the basis that a better day care center would not only serve the needs cited above but would attract a better class of employee who would not otherwise have entered the labor market. This decision in the minds of company officials has since proved correct. It also is a step in the present pattern of increased involvement by industry in community social problems.

A weekly charge to employee-parents of $13.00 for the first child and $9.00 for the second child is made. A few children from outside the employee group are accepted at a charge of $17.00 per week. With an enrollment of approximately 40 children, the average for 1971, the schedule of charges did not cover all costs and the company subsidized the remainder. In the year 1971 the cost to the company was approximately $12,000.00.

COSTS RETURNED

As stated earlier, the training cost of a new employee approximates $1,000 each. The $12,000 loss (which includes building amortization) is returned to the company through the retention of employees with children in the day care center, who would otherwise have to leave because of baby-sitting problems. A strong ancillary benefit reflected in the costs is the fact that absenteeism of parents of day care center children is much lower than of parents whose children are not in the center. A frequent cause of absenteeism is the failure of a babysitter to show up or illness on the part of the babysitter, which forces the mother to stay away from work to care for her child. In the past a frequent cause for termination on the part of employees was cited as "lack of babysitter" which has been practically eliminated as a cause of separation since the establishment of the day care center.

Recently the company increased its employment to 400 employees. Many of the additional employees were attracted to the company by the existence of the day care center. In a very tight labor market with a present unemployment rate of 2.2%, the company was able to proceed with its expansion plans at a greatly accelerated rate to which the day care center was a large contributing factor.

Present enrollment is 50 children with state licensing (including absentee rate) set at a maximum of 54. Staff consists of a director, 3 full time teachers, one part time teacher and a cook-teacher. Staff members have had professional instruction in child care and continue to attend workshops and seminars as provided by various government agencies.

"The company," says a Vanderbilt source, "feels it has derived inestimable benefits from operating its day care center through the improvement of the company image and its employees and the community. Mothers who have had children in the day care center sing its praise constantly and show their appreciation to the company through the diligence of their service. Employees who do not have children of preschool age also appreciate the efforts and expense that the company incurs in this day care involvement."

"A Preliminary Evaluation of the Northside Child Development Center
- The Impact on Industry"

From Northside Child Development Center
1972 Annual Report, pp. 14-15

A preliminary research program to evaluate the impact of the Northside Child Development Center has been conducted by staff members of the University of Minnesota's Industrial Relations Center, under the direction of Louis Gomez. The purpose of the research is to arrive at some estimates of the tangible and intangible benefits to employers, employees and children derived from the provision of day care, as well as benefits to the community.

The research effort is ongoing, and while these results are preliminary, they are nevertheless proving helpful in the evaluation of this day care program.

The operation of the Northside Child Development Center is helping industry to determine if the availability of adequate day care services provides significant positive advantages to industry without adverse effects upon profitability. Industry is also determining the catalytic effects of day care upon the development of an inner city labor market and the degree of improvement shown in absenteeism, turnover, and job performance from the introduction of day care services.

Here are the findings of the University research team in regards to the absenteeism, turnover and job performance among the mothers with children enrolled at the Center. While all possible variables could not be controlled, the groups from which the data was collected were performing the same jobs, and have similar backgrounds in terms of residence, Title IVA eligibility and having young children.

ABSENTEEISM

In order to measure the impact of the Center upon the absenteeism rate of employees, the research team computed Hours Absent/Hours Scheduled for each parent, before and after enrollment at the Center.

Findings: The difference in absenteeism was equivalent to a 21.4% reduction from the pre-enrollment rates. In order to test the hypothesis more formally, a formal statistical test was employed at a 1% level of significance. The findings resulted in rejecting the null hypothesis and accepting the alternative hypothesis - that is, the decline in absenteeism would have occurred by chance less than once in a hundred times.

TURNOVER

Information indicating the amount of turnover among the mothers with children enrolled at the Center and mothers not using its services but working for the same company, were obtained by the research team to determine whether or not a significant difference exists between the two groups. More than 50% of the employees using the services of the Center were screened.

Findings: The monthly turnover rates for the mothers using the Center were found to be substantially lower than the turnover rates of other females doing the same job. From January 1, 1972 through November, 1972, the average turnover rate for mothers not using the Center was 6.23%; while the average turnover rate for mothers using the Center was 2.3%. By a formal statistical test, such results are significant at a 1% level - that is, they would occur by chance less than once in a hundred times.

JOB PERFORMANCE

Information regarding the job performance of the mothers, most of them previously unemployed, was obtained at two of the participating companies. One company maintains a formal appraisal system; the other does not, so information was obtained from interviews with foremen.

At the company with the formal appraisal system, 75% of the mothers with children at the Center received "Standard Performance" ratings; 25% received "Excellent" appraisals; and none of the mothers were rated "Below Standard."

At the second company, all immediate supervisors were interviewed regarding the performance of the mothers utilizing the Center. Here are some of the points made by the supervisors.

- Their quality and quantity of work have been very good.
- They appear to be more relaxed at work, probably because they know their children are at the Center.
- Their attendance and punctuality is better than that of the mothers not using the Center.
- They are less apt to quit work than the other mothers. Although many of the other mothers who quit work cite "personal reasons" for leaving their job, it usually means they are quitting because of the lack of adequate day care services they can afford.
- Most of the mothers seem happy with the Center's services as evidenced by the comments they make while at work.

In sum, the reports concerning the absenteeism, turnover and job performance of these mothers has been positive, based on the information available to date. It would seem to indicate that providing day care services is a key component in tapping a resourceful labor market and that such an effort can be advantageous to industry.

THE IMPACT OF CHILD CARE ON EMPLOYEE ABSENTEEISM, TURNOVER, AND PRODUCTIVITY

Relatively little documentation is available on the impact of child care on employee absenteeism, turnover, and productivity. The following is a summary of what is known to date:

Northside Child Development Center[1]

The most comprehensive study on the subject was conducted by the University of Minnesota's Industrial Relations Center under the direction of Louis Gomez.[2]

Absenteeism, turnover, and job performance among the mothers with children enrolled at the Northside Child Development Center in Minneapolis, Minnesota was studied. While acknowledging that all possible variables could not be controlled, the control group was carefully matched with the experimental group on such variables as job, background, and age of children.

Absenteeism: As measured by hours absent/hours scheduled for each parent before and after enrollment at the Center, there was a 21.4% reduction from pre-enrollment absenteeism rates. This finding was significant at the .01 level.

Turnover: Comparing control and experimental groups (analyzed by company), the monthly turnover rates for mothers using the Center were found to be significantly (.01) lower. The average turnover ratio for the control group was 6.22%. Comparable turnover ratio for the experimental group was 2.3%.

Job Performance: In a company using a formal appraisal system, 75% of the experimental group mothers received "Standard Performance" ratings; 25% received "Excellent" appraisals, and none were rated "Below Standard". In a second comparison, supervisors were interviewed, and reported that experimental group mothers were performing quite satisfactorily.

The investigators summarize their results by saying "It (the study results) would seem to indicate that providing day care services is a key component in tapping a resourceful labor market and that such an effort can be advantageous to industry."

American Telephone and Telegraph[3]

In 1969, AT&T Vice President Walter Straley estimated that a 1% reduction in operator turnover alone would save the whole Bell System $2 million a year. Some of the Bell System companies have conducted preliminary studies on the impact of child care on their employees. One company, Illinois Bell, has reported results of child care availability on their employees.

New Jersey Bell

In 1967, in the Newark offices, "close to 40% of the resignations of operators were due to "no baby sitter available". In November and December of 1967, 60% of the total who resigned their jobs left due to no babysitter, home duties, or pregnancy.

Between June and November, 1970, 11.7% of the total resignations (1,622) in the Traffic, Commercial, and Accounting Departments were due to child care related concerns.

Of the employees who left work in Newark in a three month period for reasons of home duties involving dependent children, 38% indicated they would have stayed if New Jersey Bell had provided child care facilities. An additional 25% said they possibly would have remained if child care facilities had been available.

Between January and April of 1968, of the applicants rejected for employment, there were 144 cases where inadequate child care arrangements was a factor in the rejections (8% of total rejections).

Chesapeake and Potomac Telephone Company, 1970

Officials at Chesapeake and Potomac concluded that "one of the chief barriers to the recruitment and long term employment of some individuals who might be effective employees is the absence of adequate arrangements for the care of young children, particularly those of preschool age, during working hours." "Given the cost of recruiting, training, and replacing the large numbers of telephone company employees who must be hired, it has been established that the retention of workers beyond six months has an economic value to the company of many hundreds of dollars per person."

Pacific Northwest Bell

In 1967, there were 389 resignations and dismissals in the Seattle Division. Multiplied by the $950 training cost approximation, losses equaled $369,550. It was estimated that an investment in a child care center would be approximately 11% of 1967's force loss cost.

Northwestern Bell Telephone

Results of a 1970 survey of the employees of Northwestern Bell indicated that lack of adequate child care had prevented 20% of the respondents from seeking employment, 19% from entering a training program, 38% to miss work, 15% to quit a job, and 32% to decrease job effectiveness.

Illinois Bell Telephone Company

Illinois Bell has a child care referral and counseling system in operation. Reports from that company conclude that there was a $97,000 estimated annual savings, representing the "difference between training costs saved and day care salaries and staff expenses."

Of the 195 employees who at the date of the report had requested assistance in finding child care, 91% were still with the company.

Rochester Clothes, Inc. - New Bedford, Massachusetts[4]

Employee absenteeism dropped from 10 to 15% down to 3% with the establishment of a day care center in 1965.

While the above quoted studies are far from comprehensive, a few trends do emerge:

1. Consistent child care availability for employees would contribute to a reduction in turnover, and consequently reduce costs to companies where training of new employees involves a significant cost outlay.

2. Absenteeism due to child care related concerns has been shown to be markedly affected by the availability of stable child care arrangements.

3. Worker productivity and effectiveness, though not as well documented vis a vis the effect of child care, has been demonstrated to be related to child care concerns.

4. The child care arrangements of potential employees has been demonstrated to be related to desirability in hiring.

REFERENCES

1. As quoted in Northside Child Development Center 1972 Annual Report
   1162 North 5th Street
   Minneapolis, Minnesota 55401

2. In a phone conference with Mr. Louis Gomez in March, 1973, he indicated that to his knowledge the study conducted by him and quoted in the Annual Report is the only controlled design study on the impact of child care completed or published to date.

3. The information on AT&T was obtained from the Equal Employment Opportunity Commission, which surveyed the Bell System to determine their involvement and consideration of child care issues as a part of their recent class action discrimination suit. These studies are unpublished.

4. Day Care Services: Industry's Involvement. Bulletin 296, Women's Bureau, U.S. Department of Labor, p. 33.

U.S. DEPARTMENT OF LABOR
EMPLOYMENT STANDARDS ADMINISTRATION
Women's Bureau
Washington, D.C. 20210

NEW LAW LIBERALIZES CHILD CARE DEDUCTIONS

On December 10, 1971, the President signed into law the Revenue Act of 1971 (Public Law 92-178), which includes provisions of major concern to working parents, private household workers, industry-related day care centers, and others. Briefly, these provisions, effective January 1, 1972, are as follows:

1. Section 210, "Certain Expenses To Enable Individuals To Be Gainfully Employed," expands the existing law by allowing as a deduction for "Employment-related expenses" up to $400 a month expenses for household services. These may be taken for a dependent of the taxpayer who is under 15 years old, a dependent who is physically or mentally incapable of caring for himself or herself, and the spouse of a taxpayer who is physically or mentally incapable of caring for himself or herself.

The expenses must be incurred for services inside the taxpayer's household, except for the care of a dependent under 15 years. In the latter situation, expenses for care may be deducted up to $200 a month for one child, $300 for two children, and $400 for three or more children. The difference between the amount expended for outside child care may be incurred for expenses in the household. Thus, if the day care center costs $200 a month, an additional $200 would be available for household and incapacitated dependent care in the home.

Qualifying taxpayers may take the deduction only if they itemize expenses. The deduction is a "personal" expense.

With respect to married couples, the deduction is allowable only where a joint return is filed, and where both spouses are gainfully employed on a full-time basis (unless one parent is physically or mentally incapable of self-care). If the adjusted gross income of the couple exceeds $18,000, the deduction is reduced 50 cents for each $1 of added income. In effect, those with adjusted gross incomes of $27,600 and over would not benefit from this deduction. Single persons are under the same income limits.

Also, a taxpayer may not deduct such payments made to family members and relatives or another dependent living in the home of the taxpayer.

In signing the act, the President stated: "The act also helps meet the special needs of working parents, by providing them with generous new deductions for the cost of child care." In his message vetoing the Economic Opportunity Amendments of 1971, the President, referring to his action on the Revenue Act, said:

> One of these needs is for day care, to enable mothers, particularly those at the lowest income levels, to take full-time jobs. Federal support for State and local day care services under Head Start and the Social Security Act already totals more than half a billion dollars a year--but this is not enough. That is why our H.R.1 welfare reform proposals, which have been before the Congress for the past 26 months, include a request for $750 million annually in day care funds for welfare recipients and the working poor, including $50 million for construction of facilities. And that is why we support the increased tax deductions written into the Revenue Act of 1971, which will provide a significant Federal subsidy for day care in families where both parents are employed, potentially benefitting 97 percent of all such families in the country and offering parents free choice of the child care arrangements they deem best for their own families. This approach reflects my conviction that the Federal Government's role wherever possible should be one of assisting parents to purchase needed day care services in the private, open market, with Federal involvement in direct provision of such services kept to an absolute minimum.

It should be noted that the day care section was added by the Senate Finance Committee, particularly its chairman, Russell Long of Louisiana. As reported in the "National Observer" of December 18, 1971, among other things, the committee was interested in generating jobs for private household workers.

Prior to the passage of the Revenue Act of 1971, the law allowed an itemized deduction for certain categories of taxpayers for expenses for the care of dependent children under age 13, and also for incapacitated dependents where the expenditures would enable the taxpayer to be gainfully employed. For one dependent, the deduction was limited to $600 a year; for two or more dependents, $900. In general, for married couples with a combined adjusted gross income above $6,000, the deduction was reduced $1 for each $1 above that amount. Thus the cutoff income was $6,600 or $6,900.

2. Section 303 amends Part VI of the Internal Revenue Code to allow a business to deduct, proportionately over a 5-year period, the expense of acquiring, constructing, reconstructing, or rehabilitating property for use as a child care facility. While amortization of tangible property has been available under earlier law, the amendments greatly expand this type of deduction. (The Senate committee report cites the Women's Bureau publication "Day Care Services: Industry's Involvement" to show the paucity of industry-related day care.)

In order for the expenditure to qualify for amortization, it must be for tangible property which is of a character that would otherwise be subject to depreciation. This property must be used as a child care center facility primarily for the children of employees of the taxpayer.

The amortization is applicable only to facilities or portions of facilities that are constructed, renovated, or remodeled specifically for use as child care facilities. The provision applies to buildings and equipment, or portions of them, actually used for child care services; that is, facilities in which children receive such personal care, protection, and supervision in the absence of their parents as may be required to meet their needs.

The provision applies to a room or rooms and play equipment or materials particularly suited to the needs of children being cared for during the day. It does not apply to general purpose rooms used for other purposes; for example, as an employee recreation center during the evening. Nor does it apply to a room or part of a room which is simply screened off for use by children during the day. Features such as kitchen facilities connected to the child care center or area, or children's special toilet facilities could be included within the provision of the law.

The deduction is permitted for expenditures made after December 31, 1971, but before January 1, 1977. Congress plans to evaluate the effectiveness of this provision during this time period.

Section 303 also provides for the amortization of on-the-job training facilities for employees or prospective employees on the same basis.

3. Section 601 provides a special tax incentive for employers who hire individuals under the Work Incentive Program (WIN). In general, the taxpayer is allowed, in addition to the regular business deduction (such as salaries paid to employees, including those in the WIN program), a credit against income tax liability amounting to 20 percent of the wages and salaries paid to such employees during the first 12 months of his or her employment, provided the employee continues the employment for another 12 months. Any unused tax credits can be carried back to the 3 preceding taxable years and carried forward to the next 7 succeeding taxable years. The credit for a taxable year may not exceed $25,000 plus 50 percent of the taxpayer's income tax liability in excess of $25,000. A provision for tax credit recapture is made where the taxpayer without cause terminates the employment of a WIN employee during the 24-month period.

The provisions are intended to strengthen the WIN program, particularly to encourage employment-based training. The Senate Finance Committee report noted that no work incentive or job training program could be successful without the full cooperation of private business. It stated, "The job development tax incentive is designed to bridge the gap that now exists between the Work Incentive Program and private employment."